

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF GREEN-TAYLOR WATER)	
DISTRICT OF GREEN AND TAYLOR COUNTIES,)	
KENTUCKY, FOR A CERTIFICATE OF PUBLIC)	
CONVENIENCE AND NECESSITY TO CONSTRUCT)	CASE NO. 92-484
AND FINANCE PURSUANT TO THE PROVISIONS)	
OF SECTION 278.023 OF THE KENTUCKY)	
REVISED STATUTES)	

O R D E R

On November 17, 1992, Green-Taylor Water District ("Green-Taylor") filed an application for a Certificate of Public Convenience and Necessity to construct a \$677,000 waterworks improvement project, for approval of its plan of financing for this project, and for adjustments to its water service rates. This project will provide service to 152 additional customers. Project funding includes a \$416,000 loan from the Farmers Home Administration ("FmHA"), a \$244,500 Community Development Block Grant from the U.S. Department of Housing and Urban Development ("HUD"), and \$16,500 from applicants for service in the proposed project area. The loan will be for a 40-year period at an interest rate of 5 percent per annum.

Green-Taylor's application was made pursuant to KRS 278.023, which requires the Commission to accept agreements between water districts and FmHA or HUD and to issue the necessary orders to implement the terms of such agreements within 30 days of satisfactory completion of the minimum filing requirements. Given that

minimum filing requirements were met in this case on November 17, 1992, KRS 278.023 does not grant the Commission any discretionary authority to modify or reject any portion of this agreement.

IT IS THEREFORE ORDERED that:

1. Green-Taylor is hereby granted a Certificate of Public Convenience and Necessity for the proposed construction project.

2. Green-Taylor's proposed plan of financing with FmHA and HUD is accepted.

3. Green-Taylor shall file a copy of the "as-built" drawings and a certified statement that the construction has been satisfactorily completed in accordance with the contract plans and specifications within 60 days of the substantial completion of the construction certificated herein.

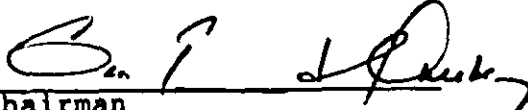
4. Green-Taylor shall monitor the adequacies of the expanded water distribution system after construction. If the level of service is inadequate or declining or the pressure to any customer falls outside the requirements of 807 KAR 5:066, Section 5(1), Green-Taylor shall take immediate action to bring the system into compliance with Commission regulations.


Nothing contained herein shall be deemed a warranty of the Commonwealth of Kentucky, or any agency thereof, of the financing herein accepted.

Done at Frankfort, Kentucky, this

10th day of December, 1992.

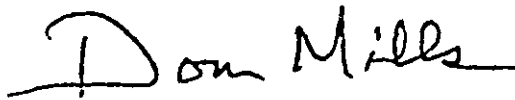
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director